

Enterprise Resource Planning (ERP) Consulting Services
RFP # 317.03-119
March 7, 2005

Responses to Written Comments
RFP Amendment 1

Item #	Question	Response
	Note: in the questions that follow, any vendor's restatement of the text of the Request for Proposals (RFP) is for reference purposes only and shall not be construed to change the original RFP wording.	
1.	Is it possible to get a list of vendors you sent this RFP notice to?	A list of vendors to whom the State attempted to send the RFP notice will be available when the file is opened for public inspection. The current date for opening the RFP files for public inspection is given in RFP Section 2, RFP Schedule of Events.
2.	Can a respondent propose additional resources that we feel will support completion of the requested services identified on pages 1 and 2 of the RFP? If so, it appears that we are not to provide the associated costs for such services per Section 3.3.3. Is this a correct assumption?	The respondent cannot propose additional resources. No costs other than those specifically asked for in the RFP are permitted and in fact will disqualify the proposal if submitted. See also the responses to Questions 3, 5, and 9, below.
3.	Can a respondent offer a combination of two resources for the Project Director/Manager position -- one for the RFP development/software evaluation phase and another for the contract management assistance phase?	In order to put all Proposals on a common basis the State requires the respondent to propose five persons as specified in Attachment 6.3, Item B.10. It is important to note Attachment 6.1, Sections A.3, A.9, and A.10, which give the State flexibility in its use of personnel assigned under the scope of this procurement/contract. It is expected that over the course of the contract we will use varying numbers of contractor personnel with varying skill sets.
4.	Section A.10 of the Pro Forma Contract states, "The purpose of this Contract is to establish a source of supply for ERP Consulting Services personnel" and "Throughout the term of the Contract, the State retains full control and flexibility with regard to the types, quantities, and timing of personnel usage." Is the Contractor responsible for determining the personnel necessary for delivering the complete scope of services? Please clarify the role of the State in determining the personnel needed to deliver the scope of services.	The contractor is not solely responsible for determining the personnel needed. As the State's ERP project evolves, decisions will be made by the project management team in conjunction with Contractor project management on numbers and types of resources needed at any given time.
5.	The Cost Proposal Schedule provides cells in which the respondent is asked to submit hourly rates for each year of service. The instructions also ask respondents to "indicate the proposed price for providing the entire scope of service". How should the total proposed cost be entered on the Cost Proposal Schedule?	The Proposer is <u>not</u> required to estimate and provide the total cost of the contract. The State only requires the Proposer to enter hourly rates in the unshaded cells on RFP Attachment 6.4 for each of the three Job Classifications, for each of the five years. Within the context of this RFP, the statement that the

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		proposed cost “shall indicate the proposed price for providing the entire scope of service” means that the hourly rates proposed will be the only means of compensation that the State will provide to the vendor. There shall be no additional charges.
6.	Can you give further guidance on the level of commitment of the five resources for tasking over the 5 year contract?	Reference Attachment 6.1, Section A.10. The State certainly intends to make use of the contract resulting from this procurement, however, there are no commitments as to quantities of staff and duration of assignments.
7.	Is Federal ERP experience an acceptable substitute for the State and Local experience called for in the RFP?	No.
8.	Can you give the payment cycle in terms of days from invoice? 30 days? 45 days?	<p>Payment processing timeframes are governed by the Prompt Payment Act, T.C.A. 12-4-701/707; and F&A Policy 15.</p> <p>T.C.A. (Tennessee Code Annotated) may be found at the following website: www.michie.com.</p> <p>F&A Policy 15 may be found at the following link: www.state.tn.us/finance/act/policy15.pdf.</p>
9.	Can resources be added / taken away from the static list of resources (e.g. a Change Management Expert? An infrastructure expert? Etc.) – we would view this as a critical success factor to ensure proper level of content and planning to prepare for a successful implementation.	<p>The State will use these resources as necessary to execute the representative consulting services outlined on RFP pages 1 and 2.</p> <p>Respondents may not propose additional job classes other than those listed in RFP Attachment 6.1, Section A.2.</p> <p>See also the State’s response to Question 3, above.</p>
10.	Are there pre determined or assumed timeframes, key dates, such as completion of the selection process (or any interim milestone dates), completion of implementation, etc?	No.
11.	Have you allocated internal resources to conduct the selection process – if so, what roles, involvement levels, and qualifications do the State of TN people have that will be dedicated to the project?	We are unclear as to the meaning of “to conduct the selection process.” Suffice it to say that the State is fully committed at all levels to devote the types and quantities of resources to its ERP effort to ensure success.
12.	Scope definition – have you taken a cut at scope of functionality – the example systems you name seem to have a wide range of functionality.	The contractor would be responsible for assisting the State in developing a scope of functionality. Information on previous ERP efforts undertaken by the State can be found at the web site referenced in the answer to Question 18.
13.	What level (if any) of functional requirements, business areas, etc. have been developed to date?	The contractor would be responsible for assisting the State in developing functional requirements. Information on previous ERP efforts undertaken by the State can be found at the web site referenced in the answer to Question 18.
14.	Does the State plan one procurement for both ERP software and implementation services or are separate	That decision has not been finalized.

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	procurements planned for software and services?	
15.	Please provide further explanation and/or clarification of what the State means by "Change Management Processes". Is the State referring to Change Management of the contract or the Change Management required for user acceptance of the ERP solution?	"Change Management" in the cited context refers to all the change that an organization deals with in achieving a successful ERP implementation. It does NOT refer to the project change control process.
16.	Please confirm that the hourly rate provided in Cost Proposal be fully loaded to include consultant travel expenses.	Yes.
17.	What are the estimated time frames for the acquisition and implementation of the ERP Solution?	No estimated time frames have been published. We do intend to proceed aggressively.
18.	Request that the State make available to prospective bidders an electronic copy of the report summarizing the April 2002 ERP Automation Assessment Study identified in the RFP. This report would provide important background information that could improve the responsiveness of the bidders' proposals.	These documents are available on the following website: http://state.tn.us/finance/oir/pcm/rfps.html Select the "Enterprise Resource Planning (ERP) Consulting Services" link; from there, select the "ERP Automation Assessment Study" link.
19.	Please identify the contractor or agency who preformed the April 2002 ERP Automation Assessment Study.	Salvaggio, Teal & Associates, working with virtually all state agencies, completed the assessment.
20.	[a] Are there any contractors currently performing tasks similar to those specified in the RFP? If so, please identify the contractors. [b] Is the contract envisioned by the RFP a follow-on contract to a current effort, or is the envisioned contract a "new start"?	[a] No. [b] This is not a "follow-on" to any current effort.
21.	Is there currently a State labor rate schedule that lists the maximum rates allowed for the labor categories identified in the RFP? If so, please provide it to prospective bidders.	No.
22.	Is there an existing State Contract for IT consulting services that could have been used to order the requested effort? If so, please identify the State Contract, explain how interested parties can view it, and indicate why it is not being used for this project.	No. The State does have staff augmentation contracts but they do not provide the combination of skills and experience required by this procurement.
23.	[a] It [sic] there a budget ceiling established for the services to be ordered under the contemplated contract? If so, what is the budget ceiling amount by State fiscal year? [b] Please identify the month the State fiscal year begins.	[a] A budget ceiling specific to ERP Consulting Services has not been established. [b] The State fiscal year begins on July 1.
24.	The RFP says that "...the experience must be with a state or local government with an annual budget of at least \$15B....". In the US, the City of New York is the only local government with that size budget and most of the states in the US don't have a budget that big. For example, the City of Chicago's budget is around \$3B and the City of Los Angeles budget is less than \$6B. However, firms that have worked with city governments and smaller	We will amend the budget requirement to reflect a state budget of at least \$8 billion or a local government with a budget of at least \$2 billion. The other experience requirements remain unchanged. With this budget change we are also adding the qualifier "State experience is preferred." This will be reflected in Statement of Purpose, Section 1.1; Attachment 6.1, Section A.2; and Attachment 6.3, Section B.13.

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	states on similar ERP projects may be able to meet Tennessee's needs. Will you remove or lower the annual budget requirement in this RFP?	See <i>RFP Amendment 1</i> , below.
25.	In section C.4 - Travel Compensation, "The contractor shall not be compensated or reimbursed for travel, meals or lodging". Should we assume that all work will be performed in Nashville, or will there be travel to visit other cities in Tennessee for which the contractor must undertake and for which they will not be compensated for their travel costs? If the work will not be performed just in Nashville, what percentage of time will it be performed in other Tennessee cities?	You can assume that all work under this contract will be in Nashville.
26.	Will the state quickly provide MS Word format documents to all bidders for the many forms in the RFP to save us time in recreating them from the PDF files?	Yes. An MS Word version of the RFP may be downloaded from the following State website: http://state.tn.us/finance/oir/pcm/rfps.html

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RFP Amendment 1

1. Delete RFP Section 1.1, Paragraph 5, in its entirety and replace it with the following:

The State intends to move forward with acquiring and implementing an ERP solution. This procurement will result in a contract for consulting services to aid the State in the development and implementation of an Enterprise Resource Management (ERP) solution. This procurement is not for system integration services. There will be subsequent procurement for ERP software and system integration services. The State seeks a vendor with **extensive ERP consulting experience and skills, with a particular emphasis on ERP as it relates to public sector** implementations. This “experience” must be for a state government with an annual budget of at least \$8B or a local government with an annual budget of at least \$2B, and the referenced ERP project(s) must have involved multiple functional areas. State experience is preferred. The consulting services will be provided on an hourly, as-used basis, and will include the following:

2. Delete RFP Attachment 6.1, Section A.2.a., in its entirety and replace it with the following:

A.2.a. **Project Director or Manager** – Provides competent leadership and responsible direction through successful performance of a variety of detailed, diverse elements of project management. Directs completion of tasks within estimated time frames and budget constraints. Schedules and assigns duties to project team. Enforces work standards and reviews/resolves work discrepancies to ensure compliance with project requirements. Reports in writing and orally to State management as necessary. Requires a very heavy background in managing large, complex ERP projects with outstanding interpersonal and communication skills. These “complex ERP projects” must be for a state government with an annual budget of at least \$8B or a local government with an annual budget of at least \$2B, and the referenced ERP project(s) must have involved multiple functional areas. State experience is preferred. Note: This position will not be responsible for leading the ERP project for the State. The State will provide a Project Director and multiple Project Managers as required to ensure proper project governance. This individual will have project leadership skills to assist the State leadership team.

3. Delete RFP Attachment 6.1, Section A.2.b.ii., in its entirety and replace it with the following:

A.2.b.ii. Analyzes and documents requirements for business systems. Develops and/or oversees plans for automated data processing systems from project inception to conclusion. Constructs data models and activity/process models as may be required to define system functions. Develops, in conjunction with functional users, system alternative solutions. Provides support for the installation, testing, implementation, and ongoing maintenance of information systems. Conducts and documents the results of special studies dealing with systems and/or business process issues. Requires previous ERP experience and excellent interpersonal and communication skills. This “previous ERP experience” must be for a state government with an annual budget of at least \$8B or a local government with an annual budget of at least \$2B, and the referenced ERP project(s) must have involved multiple functional areas. State experience is preferred.

4. Delete RFP Attachment 6.1, Section A.2.c., in its entirety and replace it with the following:

A.2.c. Systems Analyst - Analyzes and documents business requirements and processes related to public sector service delivery for a single or multiple related state agencies. Formulates alternative solutions to satisfy these requirements that may involve business process reengineering and/or the deployment of information technology. Plans and/or conducts end user training for new applications. Prepares cost benefit analyses according to State CBA methodology. Develops and/or oversees plans for the execution of a solution from project inception to conclusion. Constructs data models and activity/process models as may be required to define system functions. Provides support for the installation, testing, data conversion, implementation, and ongoing maintenance of information systems. Conducts and documents the results of special studies dealing with systems and/or business process issues. Facilitates sessions to gather and document requirements and explore solutions. Requires previous ERP experience. This "previous ERP experience" must be for a state government with an annual budget of at least \$8B or a local government with an annual budget of at least \$2B, and the referenced ERP project(s) must have involved multiple functional areas. State experience is preferred.

5. Delete RFP Attachment 6.3, Section B.13, 2nd paragraph in its entirety and replace it with the following:

The referenced experience must be for a state government with an annual budget of at least \$8B or a local government with an annual budget of at least \$2B, and the ERP project must have involved multiple functional areas. State experience is preferred.

6. Delete RFP Attachment 6.4 in its entirety and replace it with the version that appears on the following page:

ATTACHMENT 6.4**COST PROPOSAL & SCORING GUIDE**

NOTICE TO PROPOSER: This Cost Proposal **MUST** be completed **EXACTLY** as required.

PROPOSER NAME:

SIGNATURE & DATE:

NOTE: The signatory must be an individual or a company officer empowered to contractually bind the Proposer. If the Signatory is not the Proposer company president, this Statement of Certifications and Assurances SHALL attach evidence showing the Signatory's authority to bind the Proposer.

COST PROPOSAL SCHEDULE

The proposed cost, detailed below, shall indicate the proposed price for providing the entire scope of service including all services as defined in the RFP Attachment 6.1, *Pro Forma Contract Scope of Services* for the total contract period. The proposed cost and the submitted technical proposal associated with this cost shall remain valid for at least 120 days subsequent to the date of the Cost Proposal opening and thereafter in accordance with any resulting contract between the Proposer and the State. All monetary amounts are United States currency.

The Proposer must propose hourly rates to provide the services of each of the three (3) Job Classifications listed below, for each of the five (5) years of the contract, The Proposer must not leave any hourly rate cell blank; if the vendor leaves any required hourly rate cell blank, the State shall disqualify the vendor.

IMPORTANT NOTE: THE WEIGHTS IN THE "WEIGHTED COST" COLUMN ARE FOR EVALUATION PURPOSES ONLY AND DO NOT IN ANY WAY EXPRESS OR IMPLY THE STATE'S INTENTIONS WITH REGARD TO THE ACTUAL USAGE PATTERNS, TIMING, OR NUMBERS OF PERSONNEL REQUIRED.

Cost Item Description	Proposed Cost					State Use ONLY		
	Hourly Rate Year 1	Hourly Rate Year 2	Hourly Rate Year 3	Hourly Rate Year 4	Hourly rate Year 5	Sum	Weight	Weighted Cost
Project Director or Manager							1	
Senior Business Analyst							2	
Systems Analyst							2	
<i>The RFP Coordinator shall use the evaluation cost amount derived from the proposed cost amounts above and the following formula to calculate the COST PROPOSAL SCORE. Calculations shall result in numbers rounded to two decimal places.</i>						Evaluation Cost Amount: <i>(sum of all weighted cost amounts above)</i>		
Lowest Evaluation Cost Amount from <u>all</u> Proposals Evaluation Cost Amount Being Evaluated						X 30 <i>(maximum section score)</i>	= SCORE:	